

Press Release

Patel Timber Corporation (PTC)

22 January, 2018



Rating Update

Total Bank Facilities Rated*	Rs.10.75 Cr
Long Term Rating (Indicative)	SMERA B Issuer not co-operating*
Short Term Rating (Indicative)	SMERA A4 Issuer not co-operating*

#Refer Annexure for details

*The issuer did not co-operate; Based on best available information.

SMERA has reviewed the long term rating of '**SMERA B**' (read as **SMERA B**) and short term rating of '**SMERA A4**' (read as **SMERA A four**) on the Rs.10.75 crore bank facilities of Patel Timber Corporation (PTC). This rating is now an indicative rating and is based on best available information.

Non-cooperation by the issuer/borrower:

SMERA has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and SMERA's policies.

Applicable Criteria

- Manufacturing Entities: <https://www.smera.in/criteria-manufacturing.htm>
- Default Recognition: <https://www.smera.in/criteria-default.htm>

Limitation regarding information availability:

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). SMERA endeavoured to gather information about the entity / industry from the public domain. Therefore, SMERA cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity:

Patel Timber Corporation (PTC), a partnership firm, was established in 1996 by Mr. Devjibhai Patel and Mrs. Vasantiben Patel as founder partners at Bangalore. PTC is engaged in processing

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and trading of timber. The day to day operations are handled by Mr. Devjibhai Patel. PTC procures 80 per cent of raw material from Burma and Taiwan and the sales are made to local furniture manufacturers.

For FY2015-16(Provisional), the firm reported PAT (profit after tax) of Rs.0.07 crore on operating income of Rs.11.68 crore, as compared with PAT of Rs.0.06 crore on operating income of Rs.10.40 crore in FY2014-15. The net worth stood at Rs.1.58 crore as on March 31, 2016 against Rs.1.55 crore a year earlier.

Rating History for the last three years:

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
14 th November 2016	Cash Credit	Long term	4.25	SMERA B/Stable (Assigned)
	Foreign Letter of Credit/ Inland Letter of Credit	Short Term	2.50	SMERA A4 (Assigned)
	Inland Letter of Credit	Short Term	2.00	SMERA A4 (Assigned)
	Foreign Letter of Credit	Short Term	2.00	SMERA A4 (Assigned)

Annexure – Details of instruments rated:

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings
Cash credit	NA	NA	NA	4.25	SMERA B Issuer not co-operating*
Foreign Letter of Credit/ Inland Letter of Credit	NA	NA	NA	2.50	SMERA A4 Issuer not co-operating*
Inland Letter of Credit	NA	NA	NA	2.00	SMERA A4 Issuer not co-operating*

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Foreign Letter of Credit	NA	NA	NA	2.00	SMERA A4 Issuer not co-operating*
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**The issuer did not co-operate; Based on best available information.*

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ABOUT SMERA

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